

# **MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE BRISTOL COUNTY WATER AUTHORITY**

**Tuesday, November 10, 2009**

**450 Child Street, Warren Office, Warren, RI**

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**Pursuant to proper notice, the regular meeting of the Board of Directors of the Bristol County Water Authority was called to order by Chairman Jannitto at 6:00 pm, 450 Child Street, Warren Office, Warren, Rhode Island. Executive Director Pasquale DeLise, and the following Directors were in attendance at the commencement of the meeting:**

**David Dugan, William Gosselin, John Jannitto, John McElroy, Jr., Frank Nencka, Frank Sylvia**

**Directors Absent – Allan Klepper, Joseph Rego**

## **HOUSEKEEPING**

**Minutes of the following meetings were reviewed.**

**Upon a motion duly made and seconded, it was unanimously**

**VOTED: That the minutes of the Regular Meeting of October 14, 2009,**

be approved.

## **PUBLIC RELATIONS/PERSONNEL COMMITTEE**

**Director Gosselin reported:**

### **New Business**

1. Annual Pension Plan Actuarial Report, Director Gosselin introduced Mr. Robert Bostian who presented BCWA's Annual Pension Plan Actuarial Report. Mr. Bostian stated that BCWA will need to make a \$337,000 contribution to the pension plan due to a loss on investments.

**Director Matsumoto entered the meeting at 6:10 pm.**

The Chair recognized Manager of Accounting and MIS Mr. Webster Goodwin who stated that due to a revised budget BCWA can't afford more than \$180,000 for the pension plan for this year.

**Director Sylvia asked how much was needed to fund the plan.**

Mr. Bostian stated that \$444,000 was needed. However, BCWA is a government agency and is not bound by funding requirements. The company is not required to make a contribution for the total amount, the plan can go unfunded. The risk is that over time the company will not have enough assets to pay benefits. The company can take a chance for a year or two. If a company is underfunded for a few years then it becomes harder to make up the difference. If the plan is not

**fully funded then it will appear on financial statements as a liability.**

## **Old Business**

**1. State Mandated Backflow Regulations, Revision will become part of BCWA's Policies. Upon a motion duly made and seconded it was**

**VOTED: To approve the Requirements for Cross-Connection Control and Backflow Prevention as mandated by Law, and to revise subject BCWA Policies accordingly, as presented.**

**Motion passed unanimously.**

**2. Protocol for Emergency Situations, Executive Director DeLise stated that since the meeting previously scheduled for October 29, was cancelled, at some point BCWA should take the initiative to set up a meeting with County officials.**

## **AUDIT FINANCE**

**Director Sylvia reported:**

### **New Business**

**1. Capital Improvements Program. FY09 Pipe Installation Construction Contract (Parkside) over budget, due mainly to the following: a) Recent changes with State road rebuilding requirements b) Addition of streets in Barrington c) Greater work quantities than expected d) Adverse and continued rainy weather. Committee**

**recommends approval as presented, refer to attached herein.**

**Executive Director DeLise explained that the projects were \$342,000 over budget due to new requirements by the State. \$326,000 can be taken from the meter program and transferred to water main projects.**

**Director Rego stated that 1000 meters are needed to complete the meter program.**

**Director Sylvia stated that this issue will be discussed in the future, the meter program needs to be finished. Upon a motion duly made and seconded, it was**

**VOTED: To approve revisions of budgets as follows:**

**FY09 Water Main Replacement \$2,278,607**

**FY10 Water Main Replacement \$617,765**

**To re-allocate \$326,000 from Meter Replacement to Water Main Replacement.**

**Motion passed unanimously.**

## **ENGINEERING COMMITTEE**

**Director McElroy reported:**

**New Business**

**1. Capital Improvements Program, Shortfall to complete all construction contracts of FY09 and FY10. Refer to Audit/Finance Committee Report.**

**2. Pare Engineer, Inc., Proposal, Pare proposes a Contract at a price of \$14,275 for a low pressure study. Committee recommends approval. Upon a motion duly made and seconded, it was**

**VOTED: To revise existing contract with Pare Engineers, Inc. to include the preparation of a low pressure study at a price of \$14,275, as presented.**

**Director Sylvia stated the after the study is complete it will be presented to the Town Councils.**

**Executive Director DeLise stated pressure is not BCWA's responsibility, as it has no control of where people chose to build homes.**

**Director Dugan stated that BCWA should not spend millions of dollars to the benefit of only a handful of customers.**

**Motion passed unanimously.**

## **EXECUTIVE DIRECTOR'S REPORT**

**The Executive Director's Report was self-explanatory.**

## **NEXT STEPS**

- 1. Audit Finance Committee Meeting, Wednesday, December 2, 2009, 5:15 p.m., Warren Office, Boardroom, 450 Child Street.**
- 2. Engineering Committee Meeting, Wednesday, December 2, 2009, 5:20 p.m., Warren Office, Boardroom, 450 Child Street.**
- 3. Personnel/Retirement Committee Meeting, Wednesday December 2, 2009, 5:25 p.m., Warren Office, Boardroom, 450 Child Street.**
- 4. Board of Directors Monthly Meeting, Wednesday, December 9 2009, 6:00 p.m., Warren Office, Boardroom, 450 Child Street.**

**There being no further business, the meeting was adjourned at 6:55 pm.**

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**John L. McElroy, Jr.**

**Secretary**

**Capital Improvements Program Summary FY09 & FY10 Pipe Installation**

**Notes**

**FY 09 Contract Parkside, Inc. Total to date \$1,903,731**

**Paving \$342,168**

**BCWA Costs \$32,708**

**Estimated Total @ Completion \$2,278,607**

**RWU Receivables (394,303)**

**Subtotal 1 \$1,884,304**

**RICFA\* Receivables/Pipe Installation (\$1,615,000)**

**Subtotal 2 \$269,304**

**FY10 Contract CB Utility, Inc 1 Partial \$206,000**

**Subtotal 3 \$475,304**

**RICFA\* 2 Receivables/Meters Installation (\$326,000)**

**3,4,5 Subtotal 4 \$149,304 Cash Requirement**

**BCWA \$5.5 Million Loan from RI Clean Water Finance Agency, June 2008**

**(Originally 5-Year Capital Improvements Plan then changed to 3-Year)**

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**Notes:**

**1 CB Utility, Inc FY10 \$206,000**

**FY11 \$411,765**

**Total \$617,765**

**2. Move from Meter Installation to Pipe Installation**

**3. Total Cash Requirement to complete both Contracts in FY11 (next year): \$149,304**

**\$411,765**

**Total \$561,069**

**4. Anticipated Capital Budget Funds for FY11 \$400,000**

**shortfall (see Note 5) \$161,069**

**5. Approx. \$150,000 may be available in O&M Budget at this year-end, thus reducing shortfall.**

**Recent DOT Requirements:**

**Full depth Trench Paving: There were greater existing pavement depths than estimated on Arlington Avenue and Ferry Road in particular. Also, the state inspector has required to use a street paving box that has a minimum width of 9.5' on Arlington Avenue and Ferry road. Additional cost is approximately \$161,976.77**

**2. 2" Full Width Overlay: The state has required 2" instead of the bid item of 1 1/2" overlay. The additional cost is approximately \$34,774.00.**

**3. 2" Full Width Milling, as opposed to Curb Line Milling that was the bid item: the additional cost is approximately \$61,593.75**

**4. 5'-4" Wide Trench Box was used due to extra depth needed for the 16" pipe and state and OSHA requirements. This added to the temporary hot mix paving cost by approximately \$22,609.65.**

**\$161,976.77 \$34,774.00 \$61,593.75**



**\$22,609.65    \$280,954.17**

**Previous Items:**

**1. Ledge: Total Rock Excavation/Mechanical was significantly over the estimate on Arlington Avenue and Ferry Road. Approximately \$48,680.00.**

**2. Extra 16" Pipe Length: Sixty Eight more feet on 16" pipe was used on Ferry Road for tie-ins to Roger Williams University and extra road length. Extra cost approximately \$4,692.00.**

**3. Groundwater effected us particularly on Arlington Avenue and Ferry Road, which resulted in wider trenches from trench sides necessitating the use of more than estimated temporary hot mix paving. Approximately \$7,536.00.**

**4. Fill: Due to groundwater and rain conditions processed gravel, instead of Common fill had to be used, because common fill turned to mud and wouldn't compact. These items balanced out due to excellent soil conditions in Barrington, requiring very little extra fill material. On Arlington Avenue and Ferry Road we exceeded crushed stone estimate by approximately \$305.00.**

**\$48,680.00**

**\$4,692.00**

**\$7,536.00**

**\$305.00**

**\$61,213.00**

**Total: \$342,167.00**